

**CITY COURT OF PLAQUEMINE**  
**FINANCIAL REPORT**  
**DECEMBER 31, 2010**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **OCT 12 2011**

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PLAQUEMINE, LOUISIANA  
FINANCIAL STATEMENTS  
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The Honorable Judge Michael Distefano  
City Court of Plaquemine

## **INDEPENDENT AUDITORS' REPORT**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City Court of Plaquemine, Louisiana, a component unit of the City of Plaquemine, Louisiana as of and for the year ended December 31, 2010, which collectively comprise the City Court's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Court's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information for the City Court of Plaquemine, Louisiana as of December 31, 2010, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2011 on our consideration of City Court's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

## **INDEPENDENT AUDITORS' REPORT (continued)**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information on pages 3 through 5 and 28 through 37 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City Court of Plaquemine, Louisiana's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Baxley & Associates, LLC*

Plaquemine, Louisiana  
June 21, 2011

**CITY COURT OF PLAQUEMINE  
PLAQUEMINE, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

As management of the City Court of Plaquemine, we are pleased to provide an overview of our financial activities for the year ended December 31, 2010. The intended purpose of the Management's Discussion and Analysis (MD&A) is to provide an objective and easy to read analysis of our financial activities based on currently known facts, decisions, and conditions. The MD&A provides an easily readable summary of operating results and reasons for changes that will help to determine if our financial position improved or deteriorated over the past year. This report addresses current operational activities, the sources, uses, and changes in resources, and adherence to budget. When referring to prior year data in this analysis, we will be drawing upon information from last year's audited financial report.

**FINANCIAL HIGHLIGHTS**

- City Court's net assets decreased by \$18,864 from \$76,700 in 2009 to \$57,836 in 2010.
- City Court's revenues decreased by \$9,500 from \$437,278 in 2009 to \$427,778 in 2010.
- City Court's expenses decreased by \$839 from \$447,481 in 2009 to \$446,642 in 2010.

**OVERVIEW OF THE BASIC FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the District's basis financial statements which are comprised of four components: (1) government-wide financial statements, (2) fund financial statements, (3) notes to the financial statements, and (4) other required supplementary information in addition to the basic financial statements themselves.

**Government-wide Financial Statements**

The City Court of Plaquemine's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the City Court of Plaquemine's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination of reclassification of activities between funds.

The first of these government-wide statements is the Statement of Net Assets. This is the government-wide statement of position presenting information that includes all of the City Court of Plaquemine's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City Court of Plaquemine as a whole is improving or deteriorating. Evaluation of the overall health of the City Court of Plaquemine would extend to other non-financial factors, in addition to the financial information provided in this report.

**CITY COURT OF PLAQUEMINE  
PLAQUEMINE, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**OVERVIEW OF THE BASIC FINANCIAL STATEMENTS (CONTINUED)**

The second government-wide statement is the Statement of Activities, which reports how the City Court of Plaquemine's net assets changed during the current calendar year. All current year revenues and expenses are included regardless of when the City Court of Plaquemine receives or pays cash. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements are presented along with the fund financial statements on pages 9 and 10 of this report.

**Fund Financial Statements**

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The City Court of Plaquemine uses a general fund, special revenue funds, and agency funds to ensure and demonstrate compliance with finance-related laws and regulations.

The Governmental funds are reported in the fund financial statements and encompass the same function reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the City Court of Plaquemine's governmental funds. These statements report short-term calendar accountability focusing on the use of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental funds balance sheet and governmental funds operating statement provide a reconciliation to assist in understanding the difference between these two perspectives.

The basic governmental fund financial statements are presented on pages 11 and 12 of this report.

**Notes to the Basic Financial Statements**

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 15 of this report.

**Other Required Supplementary Information**

In addition to the basic financial statements and accompanying notes, the report also presents certain required supplementary information concerning the City Court of Plaquemine's budgetary control, on pages 31-33. Combining balance sheets and combining statements of revenues, expenditures, and changes in fund balance are presented on pages 35-39.

**CITY COURT OF PLAQUEMINE  
PLAQUEMINE, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FINANCIAL ANALYSIS OF CITY COURT OF PLAQUEMINE AS A WHOLE**

The City Court of Plaquemine's net assets as fiscal year-end are \$57,836. The table that follows provides a summary of the City Court of Plaquemine's net assets:

<b>Summary of Net Assets</b>		
	<b>Governmental Activities</b>	
	<b>2010</b>	<b>2009</b>
Assets:		
Current assets	\$ 209,457	\$ 216,459
Capital assets, net of accumulated depreciation	<u>76</u>	<u>674</u>
Total Assets	<u>209,533</u>	<u>217,133</u>
Liabilities:		
Current liabilities	<u>151,697</u>	<u>140,433</u>
Total Liabilities	<u>151,697</u>	<u>140,433</u>
Net assets:		
Invested in capital assets	76	674
Unrestricted	<u>57,760</u>	<u>76,026</u>
Total Net Assets	<u>\$ 57,836</u>	<u>\$ 76,700</u>

Current assets decreased by \$7,002. Current liabilities increased by \$11,264.

The City Court of Plaquemine reported a positive balance in net assets for its governmental activities. Net assets at December 31, 2010 decreased from net assets at December 31, 2009 by \$18,864.



**CITY COURT OF PLAQUEMINE  
PLAQUEMINE, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FINANCIAL ANALYSIS OF CITY COURT OF PLAQUEMINE AS A WHOLE  
(continued)**

The following table provides a summary of the City Court of Plaquemine's change in net assets:

<b>Changes in Net Assets</b>		
	<u>Governmental Activities</u>	
	<u>2010</u>	<u>2009</u>
Revenues:		
Court fees, fines, and costs	\$ 2,110	\$ 2,340
Intergovernmental	388,184	379,105
Miscellaneous	37,395	3,642
Investment earnings	89	340
Transfers	-	51,851
Total Revenues	<u>427,778</u>	<u>437,278</u>
Expenses:		
Administration	343,623	339,169
Operating services	82,571	90,480
Travel	13,323	11,733
Materials and supplies	6,527	4,907
Depreciation	598	1,192
Total Expenses	<u>446,642</u>	<u>447,481</u>
Change in Net Assets	(18,864)	(10,203)
Beginning Net Assets	<u>76,700</u>	<u>86,903</u>
Ending Net Assets	<u>\$ 57,836</u>	<u>\$ 76,700</u>

The revenues of the City Court of Plaquemine reflect the actual revenues as opposed to anticipated revenues. Each year's budget is based on city and parish funding and not on an accrual basis. The court's revenues consist of fees, fines, state and federal grants, and the balance being supported by the city and parish subsidiaries. Revenues decreased by 2.2% from 2009 to 2010.

The expenditures consist of court administration, personnel salaries and benefits, operating services, communication, maintenance of equipment, continuing education, travel, and court materials. Expenditures decreased by .2% from 2009 to 2010.

**CITY COURT OF PLAQUEMINE  
PLAQUEMINE, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**BUDGETARY HIGHLIGHTS**

The City Court of Plaquemine submits an annual budget to the city and adheres to the budget on the expense side, but the Court can only anticipate the revenues from fines and fees. The operations budget for the court maintains not only the traffic and misdemeanor court proceedings, but handles all small claims, civil suits, garnishments, and eviction services to the citizens of Plaquemine. Budgetary comparison statements can be found on pages 31-33. These statements compare the original adopted budget, the budget if amended throughout the year, and the actual revenues and expenditures prepared on a budgetary basis.

In the General fund, budgeted revenues exceeded actual revenues by \$393 and budgeted expenditures exceeded actual expenditures by \$262. In the Marshal's fund, budgeted revenues exceeded actual revenues by \$348 and budgeted expenditures exceeded actual expenditures by \$203. In the Probation fund, actual revenues exceeded budgeted revenues by \$770 and actual revenues exceeded budgeted revenues by \$838.

**CAPITAL ASSETS**

The City Court of Plaquemine's investment in capital assets, net of accumulated depreciation, for governmental activities as of December 31, 2010 was \$76. The net decrease in net investment in capital assets from 2009 to 2010 was \$598, which was the depreciation expense for 2010. No additions or deletions were made in 2010.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the City Court of Plaquemine's finances and its operations for all those with an interest in the Court's finances. If you have questions about this report or need additional financial information, please contact Mervin J. Gourgues at (225) 687-3661.

## **BASIC FINANCIAL STATEMENTS**

**EXHIBIT A**

**CITY COURT OF PLAQUEMINE, LOUISIANA  
STATEMENT OF NET ASSETS  
DECEMBER 31, 2010**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 192,656
Intergovernmental receivables	15,000
Accounts receivable	1,801
Capital assets (net of accumulated depreciation):	
Furniture and fixtures	76
<b>TOTAL ASSETS</b>	<b>\$ 209,533</b>
 <b>LIABILITIES AND NET ASSETS</b>	
<b>LIABILITIES</b>	
Other payables	\$ 151,697
<b>TOTAL LIABILITIES</b>	<b>151,697</b>
 <b>NET ASSETS</b>	
Invested in capital assets, net of related debt	76
Unrestricted	57,760
<b>TOTAL NET ASSETS</b>	<b>\$ 57,836</b>

The accompanying notes are an integral part of this statement.

**EXHIBIT B**

**CITY COURT OF PLAQUEMINE  
PLAQUEMINE, LOUISIANA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<b>Governmental Activities</b>
	<b>2010</b>
<b>EXPENDITURES/EXPENSES</b>	
General Government:	
Administration	\$ 343,623
Operating services	82,571
Travel	13,323
Materials and supplies	6,527
Depreciation	598
<b>TOTAL EXPENDITURES/EXPENSES</b>	<b>446,642</b>
<b>PROGRAM REVENUES</b>	
Court fees, fines and costs	2,110
Intergovernmental	388,184
Miscellaneous	37,395
<b>TOTAL PROGRAM REVENUES</b>	<b>427,689</b>
<b>NET PROGRAM EXPENSE</b>	<b>(18,953)</b>
<b>GENERAL REVENUE</b>	
Investment earnings	89
<b>TOTAL GENERAL REVENUES</b>	<b>89</b>
<b>CHANGE IN NET ASSETS</b>	<b>(18,864)</b>
<b>NET ASSETS</b>	
Beginning of the year	76,700
<b>End of the year</b>	<b>\$ 57,836</b>

The accompanying notes are an integral part of this statement.

## EXHIBIT C

CITY COURT OF PLAQUEMINE  
PLAQUEMINE, LOUISIANA  
COMBINED BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2010

	General Fund	Marshal's Fund	Probation Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 21,754	\$ 9,628	\$ 6,669	\$ 3,972	\$ 42,023
Account receivable	584	51	-	102	737
Prepaid expense	-	-	-	-	-
Intergovernmental receivables	10,000	5,000	-	-	15,000
Interfund receivables	9,595	-	1,100	1,320	12,015
<b>TOTAL ASSETS</b>	<b>\$ 41,933</b>	<b>\$ 14,679</b>	<b>\$ 7,769</b>	<b>\$ 5,394</b>	<b>\$ 69,775</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Interfund payable	\$ 1,920	\$ 37	\$ 9,558	\$ 500	\$ 12,015
Other payables	-	-	-	-	-
<b>Total Liabilities</b>	<b>1,920</b>	<b>37</b>	<b>9,558</b>	<b>500</b>	<b>12,015</b>
<b>Fund Balance</b>	<b>40,013</b>	<b>14,642</b>	<b>(1,789)</b>	<b>4,894</b>	<b>57,760</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 41,933</b>	<b>\$ 14,679</b>	<b>\$ 7,769</b>	<b>\$ 5,394</b>	<b>\$ 69,775</b>

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

76

**Net assets of governmental activities**

**\$ 57,836**

The notes to the financial statements are an integral part of this statement

**CITY COURT OF PLAQUEMINE  
PLAQUEMINE, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	General Fund	Marshall's Fund	Probation Fund	Other Governmental Funds	Totals 2010
<b>REVENUES</b>					
Court fees, fines and costs	\$ -	\$ 2,110	\$ -	\$ -	\$ 2,110
Intergovernmental	198,623	99,542	60,845	29,174	388,184
Interest	89	-	-	-	89
Miscellaneous revenue	45	-	25	-	70
<b>TOTAL REVENUES</b>	<b>198,757</b>	<b>101,652</b>	<b>60,870</b>	<b>29,174</b>	<b>390,453</b>
<b>EXPENDITURES</b>					
Auto and travel	-	13,323	-	-	13,323
Drug testing	-	-	-	-	-
Dues and seminars	2,531	9,526	9,574	40	21,771
Office supplies and expense	5,003	1,524	-	-	6,527
Professional fees	12,000	-	22,000	12,000	45,000
Personnel services and related benefits	173,750	94,000	33,407	42,466	343,623
Domestic Violence Grant expense	-	-	3,254	-	3,254
Telephone	3,736	867	-	646	5,249
Miscellaneous	3,018	2,907	128	244	6,297
<b>TOTAL EXPENDITURES</b>	<b>200,038</b>	<b>122,147</b>	<b>68,463</b>	<b>55,396</b>	<b>446,044</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(1,281)</b>	<b>(20,495)</b>	<b>(7,593)</b>	<b>(26,222)</b>	<b>(55,591)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating transfers in	23,745	12,905	1,859	26,793	55,272
Operating transfers out	(27,947)	-	-	-	(27,947)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(4,202)</b>	<b>12,905</b>	<b>1,859</b>	<b>26,793</b>	<b>37,325</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<b>(5,483)</b>	<b>(7,590)</b>	<b>(5,734)</b>	<b>541</b>	<b>(18,266)</b>
<b>FUND BALANCE (DEFICIT), Beginning</b>	<b>45,496</b>	<b>22,232</b>	<b>3,945</b>	<b>4,353</b>	<b>76,026</b>
<b>FUND BALANCE (DEFICIT), Ending</b>	<b>\$ 40,013</b>	<b>\$ 14,642</b>	<b>\$ (1,789)</b>	<b>\$ 4,894</b>	<b>\$ 57,760</b>

The accompanying notes are an integral part of this statement.

**CITY COURT OF PLAQUEMINE  
PLAQUEMINE, LOUISIANA  
RECONCILIATION OF THE STATEMENT OF REVENUES  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2010**

**Amounts reported for governmental activities are  
different because:**

Net Change in fund balances - total governmental funds (page 12) \$ (18,266)

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

(598)

**Change in net assets of governmental activities (page 10) \$ (18,864)**

The accompanying notes are an integral part of this statement.



## EXHIBIT F

CITY COURT OF PLAQUEMINE  
PLAQUEMINE, LOUISIANA  
STATEMENT OF FIDUCIARY RESPONSIBILITIES  
AGENCY FUNDS  
DECEMBER 31, 2010

	<b>Totals 2010</b>
<b>ASSETS</b>	
Cash	\$ 150,633
<i>Accounts receivable</i>	<u>1,064</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 151,697</u></b>
 <b>LIABILITIES AND FUND BALANCES</b>	
Other payables	<u>\$ 151,697</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 151,697</u></b>

The accompanying notes are an integral part of this statement.

**CITY COURT OF PLAQUEMINE  
PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2010**

**NOTE A: SIGNIFICANT ACCOUNTING POLICIES**

The City Court of Plaquemine was created under the provisions of Louisiana Revised Statute 13:2488.61. The City Court judge and marshal are elected by the voters of the City of Plaquemine and serve a term of six years as provided by Louisiana Revised Statutes 13:1872 and 13:1879 respectively.

The financial statements of the City Court of Plaquemine have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for establishing governmental accounting and financial reporting principles.

The following is a summary of certain significant accounting policies and practices:

**Financial Reporting Entity**

The City Court judge and marshal are independently elected officials. However, the Court is fiscally dependent on the City of Plaquemine for office space, courtrooms, and related utility costs, as well as partial funding of salary costs. Because the Court is fiscally dependent on the City, the City Court was determined to be a component unit of the City of Plaquemine, the financial reporting entity.

The financial statements present information only on the funds maintained by the Court and do not present information on the City of Plaquemine, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

**Fund Accounting**

The accounts of the City Court of Plaquemine are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The various funds are grouped in the financial statements in this report into three generic fund types as follows:

**A. Governmental Funds**

**1. General Fund**

The General Fund is the general operating fund of the City Court. It is used to account for all financial resources except those required to be accounted for in another fund.

**CITY COURT OF PLAQUEMINE  
NOTES TO FINANCIAL STATEMENTS**

**NOTE A: SIGNIFICANT ACCOUNTING POLICIES**, continued

2. Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, or major capital projects) that are legally restricted to expenditures for specific purposes.

**B. Fiduciary Funds**

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the municipality. Fiduciary funds include:

Agency Funds

Agency Funds account for assets that the municipality holds on behalf of others as their agent. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e. the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the City Court of Plaquemine. For the most part, the effect of the interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**CITY COURT OF PLAQUEMINE  
NOTES TO FINANCIAL STATEMENTS**

**NOTE A: SIGNIFICANT ACCOUNTING POLICIES**, continued

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

On January 1, 2003, the Court adopted the provisions of Governmental Accounting Standards Board Statement No. 34 (Statement 34) "*Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*." Statement 34 established standards for external reporting for all state and local governmental entities which includes a statement of net assets, a statement of activities and changes in net assets and a statement of cash flows. It requires the classification of net assets into three components - invested in capital assets, net of related debt; restricted; and unrestricted.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claim and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when the government receives cash.

City Court of Plaquemine, Louisiana reports the following governmental funds:

**Major Fund – General**

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

## CITY COURT OF PLAQUEMINE NOTES TO FINANCIAL STATEMENTS

### **NOTE A: SIGNIFICANT ACCOUNTING POLICIES**, continued

#### **Major Special Revenue Funds**

The *Marshal's Fund* is used to account for the activities of the Marshal's office financed by revenue from court costs designated for that purpose.

The *Probation Fund* is used to account for probation fees collected by the City Court.

#### **Non Major Special Revenue Funds**

The *Public Defender Fund* was created in 1988 to account for the activities of the Public Defender financed by revenue from court costs designated for that purpose, as provided by R.S. 13:2488.61(c).

The *City Prosecutor Fund* is used to account for activities of the City Prosecutor's office financed by revenue from court costs designated for that purpose.

#### **Non Major - Agency Funds**

The *Fines, Fees, and Costs Fund* is used to account for fines and costs collected for and payable to the City of Plaquemine, Court Expense General Fund, various state agencies, Marshal's Fund, Subpoena Fund, City Prosecutor Fund, and Public Defender Fund.

The *Civil Fund* is used to account for advance costs collected from plaintiffs filing civil suits. These costs are payable to the City Court of Plaquemine's Judge and Marshal and to the Judges' Supplemental Compensation Fund, as costs are assessed. The difference between the costs advanced by the plaintiffs and the costs assessed against the advance is classified as receivable from or payable to the plaintiff.

The *Garnishment Fund* is used to account for collection and distribution of garnishments by the City Marshal. Garnishments are collected from garnishees by the Marshal on behalf of petitioners to be paid to petitioners less a fee paid to the Marshal. The Pre-trial Diversion Fund is used to account for pre-trial diversion costs.

#### **Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when measurable and available. "Measurable" meaning the amount of the transaction can be determined and "available" meaning collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers all revenue available if collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when obligations are expected to be liquidated with expendable available financial resources. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual funds use the following practices in recording revenues and expenditures:

## **CITY COURT OF PLAQUEMINE NOTES TO FINANCIAL STATEMENTS**

### **NOTE A: SIGNIFICANT ACCOUNTING POLICIES**, continued

#### **A. Revenues**

Substantially all revenues are recorded when received. Certain receipts, as advanced deposits on fines to be finalized on the next court session, are recorded as advance deposits on fines and are not allocated to individual funds until formalized by court action.

#### **B. Expenditures**

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

#### **C. Other Financing Sources (Uses)**

Transfers between funds, which are not expected to be repaid (and any other financing source/use) are accounted for as other financing sources (uses). Other financing sources (uses) are recorded when the City Judge determines a transfer will not be repaid.

#### **Basis of Presentation**

The accompanying financial statements of the City Court of Plaquemine have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

#### **Assets, Liabilities, and Net Assets or Equity**

##### **A. Cash and Cash Equivalents**

Cash includes amounts in both interest bearing and non interest bearing demand deposits. Under state law, the City Court may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal office in Louisiana. These deposits are stated at cost which approximates market value.

##### **B. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/due from" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

##### **C. Capital Assets**

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual

**CITY COURT OF PLAQUEMINE  
NOTES TO FINANCIAL STATEMENTS**

**NOTE A: SIGNIFICANT ACCOUNTING POLICIES**, continued

cost of more than \$1,000 (amount not rounded) and estimated useful lives in excess of 1 year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant and equipment for the primary government, as well as the component units and enterprise funds, is depreciated using the straight line method using the following useful lives:

<u>Asset Class</u>	<u>Governmental Funds</u>
Buildings	40 Years
Furniture and Fixtures	5 - 10 Years
Vehicles	5 Years

**D. Interest Cost**

Interest costs are not capitalized.

**E. Fund Equity**

Reserves

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use.

Designated Fund Balance

Designated fund balances represent tentative plans for future use of financial resources.

**Budget and Budgetary Accounting**

The proposed budget for the year ended December 31, 2010 was prepared and is available at the City Court's office for public inspection. The budget is legally adopted and amended, as necessary, by the City Court Judge. All appropriations lapse at year-end.

In preparing its budgets, the City Court does not include on-behalf payments made on its behalf by other governmental entities for salaries, benefits, and expenses. On-behalf payments are discussed in Note K.

**CITY COURT OF PLAQUEMINE  
NOTES TO FINANCIAL STATEMENTS**

**NOTE B – COURT OPERATIONS**

All fines collected by the court are required to be remitted to the City of Plaquemine. Court costs (both criminal & civil) assessed by the Judge in accordance with applicable schedules are used to pay the operational expenses of the court and other expenditures as may be approved by the Judge. The salaries of the City Marshal, City Court Clerk, City Court Prosecutor, and other City Court employees are to be paid by the City of Plaquemine. The Marshal receives supplementary pay from the state of Louisiana. The Judge's salary is paid by State Judiciary Department, City of Plaquemine, and the Iberville Parish Council. As required by Louisiana Revised Statutes, the City of Plaquemine is responsible for funding the operations of the City Court. The City pays all salaries and some expenses of the Court. The City Court reimburses the City for some of the salaries paid by the City on behalf of the Court and pays some of its own expenses if funds are available.

In addition to a salary, the Judge is entitled to receive the same fees as are payable to the Justices of the Peace in all civil cases where the amount involved does not exceed \$100, exclusive of interest, and the same fees as are payable to the Clerk of District Court in all other civil cases. The Judge shall receive no fees in criminal matters. These fees are collected by and paid out of the Civil Fund, an agency fund.

R.S. 13:1899 provides that the City Judge in all criminal cases may assess a sum not to exceed ten dollars as additional costs of court, the proceeds from which shall be deposited in a special account, subject to audit, and used to defray operational expenses of the office of the Marshal of the Court, all as may be useful and necessary for the proper conduct of the Marshal's office, and all as may be approved by said Marshal.

R.S. 13:2488.61 C. was amended in July, 1988 to include a public defender's salary that shall be fixed by the Judge and paid out of court costs assessed for the public defender.

R.S. 13:2488.62 C. (4) provides that the City Court Judge may assess court costs against every defendant who is convicted after trial or after he pleads guilty to a traffic violation or misdemeanor to defray the expenses of the City Prosecutor. Such court costs shall not exceed seventeen dollars and fifty cents per violation or misdemeanor.

In addition to paying the salaries noted above, the City of Plaquemine also provides services, insurance, and facilities to the City Court at no charge to the Court.



**CITY COURT OF PLAQUEMINE  
NOTES TO FINANCIAL STATEMENTS**

**NOTE C – CHANGES IN CAPITAL ASSETS**

The following is a summary of capital assets as of December 31, 2010:

	<u>Balance 12/31/2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/2010</u>
Furniture and fixtures	\$ 142,903	\$ -	\$ -	\$ 142,903
	<u>\$ 142,903</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 142,903</u>

	<u>Accumulated Depreciation Balance 12/31/2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Accumulated Depreciation Balance 12/31/2010</u>	<u>Capital Assets Net of Accumulated Depreciation</u>
Furniture and fixtures	\$ 142,229	\$ 598	\$ -	\$ 142,827	\$ 76
	<u>\$ 142,229</u>	<u>\$ 598</u>	<u>\$ -</u>	<u>\$ 142,827</u>	<u>\$ 76</u>

**NOTE D – INTERFUND RECEIVABLES, PAYABLES, & TRANSFERS**

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund:		
Court Expense Fund	\$ 9,595	\$ 1,920
Major Special Revenue Fund:		
Marshal's Fund	-	37
Probation Fund	1,100	9,558
Non Major Special Revenue Fund:		
Public Defender Fund	<u>1,320</u>	<u>500</u>
	<u>\$ 12,015</u>	<u>\$ 12,015</u>

**CITY COURT OF PLAQUEMINE  
NOTES TO FINANCIAL STATEMENTS**

**NOTE D – INTERFUND RECEIVABLES, PAYABLES, & TRANSFERS, continued**

<u>Interfund Transfers</u>	<u>Transfer In</u>	<u>Transfer Out</u>
Major Governmental Funds:		
General	\$ 23,745	\$ 27,947
Marshal	12,905	-
Probation	1,859	-
Non Major Special Revenue Funds:		
Public Defender	25,645	-
Prosecution	740	-
Pre-Trial Diversion	378	-
Agency Funds	-	37,325
	<u>\$ 65,272</u>	<u>\$ 65,272</u>

The principal purpose of the above interfund transfers from the General Fund and Agency Funds is to supplement revenues for ongoing operations and to supplement future capital outlay purchases.

**NOTE E – DEPOSITS AND CASH EQUIVALENTS**

At year end, the City Court of Plaquemine's carrying amount of deposits was \$192,656 and the bank balance was \$231,909. The entire bank balance was covered by federal depository insurance.

Cash Equivalents (near cash investments) are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by government or its agent in City Court's name.
2. Uninsured and unregistered, with securities held by the counter-party, or by its trust department or agent in City Court's name.
3. Uninsured and unregistered, with securities held by the counter-party, or by its trust department or agent but not in City Court's name.

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging bank in a custodial bank that is mutually acceptable to both parties.

Even though the pledged securities are considered collateralized (Category 1) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the City Court that the fiscal agent has failed to pay deposited funds upon demand.

**CITY COURT OF PLAQUEMINE  
NOTES TO FINANCIAL STATEMENTS**

**NOTE F – RELATED PARTY TRANSACTIONS**

Salaries and benefits of the City Marshal, City Court Clerk, City Prosecutor, and other City Court employees are paid by the City of Plaquemine. The City also pays expenses of the City Court as required by law. Retirement systems contributions and other benefits for eligible employees are paid by the City of Plaquemine. The Judge's salary is paid by the State Judiciary Department, the City of Plaquemine, and the Iberville Parish Council. The Probation Officer's and a portion of the Public Defender's salaries and/or benefits are paid by the City of Plaquemine. The City is reimbursed out of the various funds of the Court for a portion of the salaries paid.

The City of Plaquemine insures the fixed assets of the City Court against any loss or damage. In addition the City provides facilities, liability insurance, audit and other services to the court at no cost to the court.

**NOTE G – RISK MANAGEMENT**

The City Court is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. The City Court is covered by insurance provided by the City of Plaquemine at levels which management believes is adequate to protect the City Court. Settled claims resulting from these risks have not exceeded the commercial insurance coverage in any of the past three fiscal years.

**NOTE H – INTERGOVERNMENTAL REVENUE**

Intergovernmental revenue for the years ended December 31, 2010 consisted of the following:

<u>General Fund</u>	<u>2010</u>
General support:	
Iberville Parish Council	\$ 34,000
State of Louisiana	200
On-behalf payments of salaries and benefits:	
Iberville Parish Council through City of Plaquemine	31,200
City of Plaquemine	<u>133,223</u>
Total General Fund	<u>\$ 198,623</u>

**CITY COURT OF PLAQUEMINE  
NOTES TO FINANCIAL STATEMENTS**

**NOTE H – INTERGOVERNMENTAL REVENUE, continued**

**Special Revenue Funds**

**Marshal's Fund**

**2010**

General support:	
Iberville Parish Council	\$ 25,600
City of Plaquemine	30,000
On-behalf payments of salaries and benefits:	
Iberville Parish Council through City of Plaquemine	15,600
City of Plaquemine	22,342
State of Louisiana	6,000
Total Marshal's Fund	<u>\$ 99,542</u>

**Public Defender Fund**

**2010**

On-behalf payments of salaries and benefits:	
City of Plaquemine	\$ 7,899
Total Public Defender Fund	<u>\$ 7,899</u>

**Probation Fund**

**2010**

General support:	
City of Plaquemine	\$ 10,000
On-behalf payments of salaries and benefits:	
City of Plaquemine	33,407
Grant-Subgrant from Louisiana Commission on Law Enforcement and Administration of Criminal Justice - matching fund grant	17,438
Total Probation Fund	<u>\$ 60,845</u>

**Prosecutor Fund**

Prosecutor Fees	\$ 275
Total Prosecutor Fund	<u>\$ 275</u>

**Pre-Trial Diversion Fund**

**2010**

General support:	
Iberville Parish Council	\$ 21,000
Total Pre-Trial Diversion Fund	<u>\$ 21,000</u>

<b>Total All Funds</b>	<b><u>\$ 388,184</u></b>
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**CITY COURT OF PLAQUEMINE  
NOTES TO FINANCIAL STATEMENTS**

**NOTE I – RETIREMENT COMMITMENTS**

**Louisiana State Employee's Retirement System (LASERS)**

Plan Description

The City Court's Judge participates in the LASERS, a cost sharing multiple employer defined benefit pension plan administered by a separate Board of Trustees. The Judge receives fees from the City Court Civil Fund on which retirement contributions are computed. LASERS provides retirement, disability, and survivor benefits to participating, eligible employees. Benefits are established and amended by state statute. LASERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to Louisiana State Employees' Retirement System, Post Office Box 44213, Baton Rouge, Louisiana, 70804-4213, or by calling (225)922-0600.

Funding Policy

The City Court Judge is required by State statute to contribute 11% of his annual covered salary and the Court is required to contribute at an actuarially determined rate. The current employer rate is 18.6% of annual covered payroll. The contribution requirements of plan members and the employer are established by, and may be amended by, state law. As required by state law, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Court's contributions to LASERS for the years ended December 31, 2010, 2009, 2008, 2007, 2006, 2005, 2004, 2003, 2002, 2001, 2000, 1999 and 1998 were \$19,215, \$20,229, \$19,677, \$20,985, \$12,050, \$11,066, \$11,954, \$14,793, \$11,257, \$8,768, \$7,864, \$7,322, and \$7,126 respectively, and were equal to the required contributions for each year.

**Municipal Employees Retirement System of Louisiana (MERS)**

Plan Description

The City Marshal and other eligible court employees participate in the MERS, a cost sharing, multiple employer defined benefit pension plan administered by a separate Board of Trustees. The Marshal receives compensation from the City Court Civil Fund on which retirement contributions are based. MERS provides retirement, disability, and survivor benefits to participating, eligible employees. Benefits are established and amended by state statute. MERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to Municipal Employees Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana, 70809 or by calling (225)925-4810.

**CITY COURT OF PLAQUEMINE  
NOTES TO FINANCIAL STATEMENTS**

**NOTE I – RETIREMENT COMMITMENTS**, continued

Funding Policy

Plan members are required by state statute to contribute 15% of their annual covered salary and employers are required to contribute at an actuarially determined rate. The current employer rate is 13.50% of annual covered payroll. The contribution requirements of plan members and employers are established by, and may be amended by, state law. As required by state law, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior year. The Court's contributions to MERS for the years ended December 31, 2010, 2009, 2008, 2007, 2006, 2005, 2004, 2003, 2002, 2001, 2000, 1999 and 1998 were \$24,989, \$23,332, \$24,968, \$25,751, \$24,251, \$22,355, \$19,447, \$14,573, \$10,725, \$7,025, \$8,083, \$7,336, and \$6,799 respectively, and were equal to the required contributions for each year.

The retirement contributions for eligible court employees and the Marshal's regular and supplemental salary are paid by the City of Plaquemine, Iberville Parish and the State of Louisiana.

**NOTE J – CHANGES IN ASSETS AND LIABILITIES – AGENCY FUNDS**

The following is a summary of changes in assets and liabilities of all agency funds for the years ending December 31, 2010:

	<u>Balance 1/1/2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 12/31/2010</u>
<u>Fines, Fees, and Costs Fund</u>				
Assets	\$ 6,798	\$ 41,696	\$ (43,492)	\$ 5,002
Liabilities	\$ 6,798	\$ 41,696	\$ (43,492)	\$ 5,002
<u>Civil Fund</u>				
Assets	\$ 95,921	\$ 100,124	\$ (88,220)	\$ 107,825
Liabilities	\$ 95,921	\$ 100,124	\$ (88,220)	\$ 107,825
<u>Garnishment Fund</u>				
Assets	\$ 37,714	\$ 226,404	\$ (225,248)	\$ 38,870
Liabilities	\$ 37,714	\$ 226,404	\$ (225,248)	\$ 38,870

**CITY COURT OF PLAQUEMINE  
NOTES TO FINANCIAL STATEMENTS**

**NOTE K – ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES**

In accordance with GASB Statement 24, on-behalf payments made by the City of Plaquemine, the Iberville Parish Council, and the State of Louisiana are recognized as revenues and expenditures in these financial statements. The on-behalf payments are shown as intergovernmental revenue in these financial statements. The details of the amount recognized as revenue are disclosed in Note H. A summary for the year ending December 31, 2010 is as follows:

	<u>2010</u>
General Fund	\$ 164,423
Marshal's Fund	43,942
Public Defender Fund	7,899
Probation Fund	<u>33,407</u>
Total	<u>\$ 249,671</u>

Amounts equal to the revenue recognized have been included as expenditures in the various funds in the personal services and related benefits category.

**NOTE L – PUBLIC DEFENDER REVENUES AND EXPENDITURES**

For the year ended December 31, 2010, the major sources of governmental fund revenues and expenditures for the Public Defender were as follows:

Local government	
On behalf payments	\$ 7,899
Miscellaneous - Transfer in from other funds	<u>25,645</u>
Total Revenues	<u>\$ 33,544</u>
Personnel Services & Benefits	
Salaries	\$ 14,400
On behalf payments - insurance	<u>7,899</u>
	<u>22,299</u>
Operating Costs	
Professional fees	<u>12,000</u>
Total Expenditures	<u>\$ 34,299</u>

**CITY COURT OF PLAQUEMINE  
NOTES TO FINANCIAL STATEMENTS**

**NOTE M – RECENT ACCOUNTING PRONOUNCEMENTS**

The GASB had issued Statement No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefit Plans Other Than Pensions*. The City Court of Plaquemine does not pay life insurance, health benefits, or other benefits after an employee retires. Therefore, the other post employment benefit disclosure and actuary's report are not necessary.

**NOTE N – SUBSEQUENT EVENTS**

These financial statements considered subsequent events through June 21, 2011, the date the financial statements were available to be issued.

**NOTE O – DEFICIT FUND BALANCES**

The Probation Special Revenue Fund had a deficit fund balance at December 31, 2010 of (\$1,789). This deficit will be financed through future revenues of the fund.



## **REQUIRED SUPPLEMENTARY INFORMATION**

CITY COURT OF PLAQUEMINE  
PLAQUEMINE, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -BUDGET TO ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2010

	DECEMBER 31, 2010			
	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Intergovernmental	\$ 199,000	\$ 199,000	\$ 198,623	\$ (377)
Miscellaneous	50	50	45	(5)
Interest	100	100	89	(11)
<b>TOTAL REVENUES</b>	<b>199,150</b>	<b>199,150</b>	<b>198,757</b>	<b>(393)</b>
<b>EXPENDITURES</b>				
Dues and subscriptions	2,500	2,500	2,531	(31)
Office supplies and expense	5,000	5,000	5,003	(3)
Professional fees	12,000	12,000	12,000	-
Personnel services and related benefits	174,000	174,000	173,750	250
Telephone	3,800	3,800	3,736	64
Miscellaneous	3,000	3,000	3,018	(18)
<b>TOTAL EXPENDITURES</b>	<b>200,300</b>	<b>200,300</b>	<b>200,038</b>	<b>262</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,150)</b>	<b>(1,150)</b>	<b>(1,281)</b>	<b>(131)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	-	-	23,745	23,745
Operating transfers out	-	-	(27,947)	(27,947)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>(4,202)</b>	<b>(4,202)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES</b>	<b>(1,150)</b>	<b>(1,150)</b>	<b>(5,483)</b>	<b>(4,333)</b>
<b>FUND BALANCES - BEGINNING</b>	<b>45,496</b>	<b>45,496</b>	<b>45,496</b>	<b>-</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 44,346</b>	<b>\$ 44,346</b>	<b>\$ 40,013</b>	<b>\$ (4,333)</b>

## EXHIBIT H

CITY COURT OF PLAQUEMINE  
PLAQUEMINE, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL  
MARSHAL'S FUND  
FOR THE YEAR ENDED DECEMBER 31, 2010

DECEMBER 31, 2010				
	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Court fees, fines and costs	\$ 2,000	\$ 2,000	\$ 2,110	\$ 110
Intergovernmental	100,000	100,000	99,542	(458)
Miscellaneous	-	-	-	-
<b>TOTAL REVENUES</b>	<b>102,000</b>	<b>102,000</b>	<b>101,652</b>	<b>(348)</b>
<b>EXPENDITURES</b>				
Auto and travel	13,500	13,500	13,323	177
Dues and subscriptions	9,500	9,500	9,526	(26)
Office supplies and expense	1,500	1,500	1,524	(24)
Personnel services and related benefits	94,000	94,000	94,000	-
Telephone	1,000	1,000	867	133
Miscellaneous	2,850	2,850	2,907	(57)
<b>TOTAL EXPENDITURES</b>	<b>122,350</b>	<b>122,350</b>	<b>122,147</b>	<b>203</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(20,350)</b>	<b>(20,350)</b>	<b>(20,495)</b>	<b>(145)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	-	-	12,905	12,905
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>12,905</b>	<b>12,905</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES</b>	<b>(20,350)</b>	<b>(20,350)</b>	<b>(7,590)</b>	<b>12,760</b>
<b>FUND BALANCES - BEGINNING</b>	<b>22,232</b>	<b>22,232</b>	<b>22,232</b>	<b>-</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 1,882</b>	<b>\$ 1,882</b>	<b>\$ 14,642</b>	<b>\$ 12,760</b>

**CITY COURT OF PLAQUEMINE  
PLAQUEMINE, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -BUDGET TO ACTUAL  
PROBATION FUND  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	DECEMBER 31, 2010			
	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Intergovernmental	\$ 60,000	\$ 60,000	\$ 60,845	\$ 845
Miscellaneous	100	100	25	(75)
<b>TOTAL REVENUES</b>	<b>60,100</b>	<b>60,100</b>	<b>60,870</b>	<b>770</b>
<b>EXPENDITURES</b>				
Drug testing	9,500	9,500	9,674	(174)
Professional fees	22,000	22,000	22,000	-
Personnel services and related benefits	33,000	33,000	33,407	(407)
Domestic Violence Grant expense	3,200	3,200	3,254	(54)
Miscellaneous	125	125	128	(3)
<b>TOTAL EXPENDITURES</b>	<b>67,825</b>	<b>67,825</b>	<b>68,463</b>	<b>(638)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(7,725)</b>	<b>(7,725)</b>	<b>(7,593)</b>	<b>132</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	1,900	1,900	1,859	(41)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>1,900</b>	<b>1,900</b>	<b>1,859</b>	<b>(41)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES</b>	<b>(5,825)</b>	<b>(5,825)</b>	<b>(5,734)</b>	<b>91</b>
<b>FUND BALANCES - BEGINNING</b>	<b>3,945</b>	<b>3,945</b>	<b>3,945</b>	<b>-</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ (1,880)</b>	<b>\$ (1,880)</b>	<b>\$ (1,789)</b>	<b>\$ 91</b>

## **NON MAJOR SPECIAL REVENUE FUNDS**

### **City Prosecutor Fund**

This fund is used to account for activities of the City Prosecutor's office financed by revenue from court costs designated for that purpose.

### **Public Defender Fund**

This fund is used to account for probation fees collected by the City Court.

### **Pre-Trial Diversion Fund**

This fund is used to account for pre-trial diversion costs.

CITY COURT OF PLAQUEMINE  
 PLAQUEMINE, LOUISIANA  
 NON MAJOR SPECIAL REVENUE FUNDS  
 COMBINING BALANCE SHEET  
 DECEMBER 31, 2010

	Prosecutor Fund	Public Defender Fund	Pre-Trial Diversion Fund	Totals 2010
<b>ASSETS</b>				
Cash	\$ 411	\$ 866	\$ 2,695	\$ 3,972
Account receivable	10	92		102
Prepaid expense	-	-	-	-
Interfund receivables	-	1,320	-	1,320
<b>TOTAL ASSETS</b>	<b>\$ 421</b>	<b>\$ 2,278</b>	<b>\$ 2,695</b>	<b>\$ 5,394</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Interfund payables	\$ -	\$ 500	\$ -	\$ 500
Fund balances	421	1,778	2,695	4,894
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 421</b>	<b>\$ 2,278</b>	<b>\$ 2,695</b>	<b>\$ 5,394</b>

CITY COURT OF PLAQUEMINE  
 PLAQUEMINE, LOUISIANA  
 NON MAJOR SPECIAL REVENUE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE  
 FOR THE YEAR ENDED DECEMBER 31, 2010

	Prosecutor Fund	Public Defender Fund	Pre-Trial Diversion Fund	Totals 2010
<b>REVENUES</b>				
Intergovernmental revenues	\$ 275	\$ 7,899	\$ 21,000	\$ 29,174
<b>TOTAL REVENUES</b>	<b>275</b>	<b>7,899</b>	<b>21,000</b>	<b>29,174</b>
<b>EXPENDITURES</b>				
Salaries	-	22,299	20,167	42,466
Professional fees	-	12,000	-	12,000
Dues	40	-	-	40
Telephone	646	-	-	646
Miscellaneous	239	-	5	244
<b>TOTAL EXPENDITURES</b>	<b>925</b>	<b>34,299</b>	<b>20,172</b>	<b>55,396</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(650)</b>	<b>(26,400)</b>	<b>828</b>	<b>(26,222)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	740	25,645	378	26,763
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<b>90</b>	<b>(755)</b>	<b>1,206</b>	<b>541</b>
<b>FUND BALANCE, BEGINNING</b>	<b>331</b>	<b>2,533</b>	<b>1,489</b>	<b>4,353</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 421</b>	<b>\$ 1,778</b>	<b>\$ 2,695</b>	<b>\$ 4,894</b>

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**AGENCY FUNDS**

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## **AGENCY FUNDS**

### **Fines, Fees, and Costs Fund**

The Fines, Fees, and Costs Fund is used to account for fines and costs collected for and payable to the City of Plaquemine, Court Expense General Fund, various state agencies, and the Marshal's Subpoena, City Prosecutor, and Public Defender Special Revenue Funds.

### **Civil Fund**

The Civil Fund is used to account for advance-costs collected from plaintiffs filing civil suits. These costs are payable to the City Court of Plaquemine's Judge and Marshal and to the City Judges' Supplemental Compensation fund, as costs are assessed. The difference between the costs advanced by the plaintiffs and the costs assessed against the advance is classified as receivable from or payable to the plaintiff.

### **Garnishment Fund**

The Garnishment Fund is used to account for collection and distribution of garnishments by the City Marshal. Garnishments are collected from garnishees by the Marshal on behalf of petitioners to be paid to the petitioners less a fee paid to the Marshal.

CITY COURT OF PLAQUEMINE  
 PLAQUEMINE, LOUISIANA  
 AGENCY FUNDS  
 COMBINING BALANCE SHEET  
 DECEMBER 31, 2010

	Fines, Fees, & Costs Fund	Civil Fund	Garnishment Fund	Totals 2010
<b>ASSETS</b>				
Cash	\$ 5,002	\$ 106,761	\$ 38,870	\$ 150,633
Account receivable	-	1,064	-	1,064
<b>TOTAL ASSETS</b>	<b>\$ 5,002</b>	<b>\$ 107,825</b>	<b>\$ 38,870</b>	<b>\$ 151,697</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Other payables	\$ 5,002	\$ 107,825	\$ 38,870	\$ 151,697
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 5,002</b>	<b>\$ 107,825</b>	<b>\$ 38,870</b>	<b>\$ 151,697</b>

## **SUPPLEMENTARY INFORMATION**

# **BAXLEY AND ASSOCIATES, LLC**

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**Margaret A. Pritchard, CPA**

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**Staci H. Joffrion, CPA**

## **SCHEDULE 1**

The Honorable Judge Michael Distefano  
City Court of Plaquemine, Louisiana

### **REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City Court of Plaquemine, a component unit of City of Plaquemine, Louisiana, as of and for the year ended December 31, 2010, which collectively comprise the City Court of Plaquemine, Louisiana's basic financial statements and have issued our report thereon dated June 21, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

#### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City Court of Plaquemine's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City Court of Plaquemine's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City Court of Plaquemine's internal control over financial reporting.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**SCHEDULE 1**  
(Continued)

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING  
STANDARDS**

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City Court's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2010-1.

City Court of Plaquemine's response to the finding identified in the audit is described in the accompanying schedule of findings and questioned costs. We did not audit City Court of Plaquemine's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the City Council, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Baxley & Associates, LLC*  
Plaquemine, Louisiana  
June 21, 2011

## SCHEDULE 2

### CITY COURT OF PLAQUEMINE PLAQUEMINE, LOUISIANA SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2010

#### A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of the City Court of Plaquemine.
2. There is one significant deficiency relating to the audit of the financial statements reported in the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. No instances of noncompliance material to the financial statements of the City Court of Plaquemine were disclosed during the audit.

#### B. FINDINGS

##### 2010-1 1099 REPORTS

###### Condition:

It was noted that 1099 reports were not prepared for all contract employees of City Court.

###### Criteria:

Federal law requires these reports to be submitted annually.

###### Effect:

Failure to prepare reports causes the City Court to not be in compliance with federal law. Reconciliations should be performed between the general ledger and reports.

###### Recommendations:

1099's should be prepared for all contract employees of the City Court.

###### Management's Response:

This was an oversight by management. This deficiency will immediately be corrected by issuing 1099's to all contract employees during the month of July 2011.

**SCHEDULE 3**

**CITY COURT OF PLAQUEMINE  
PLAQUEMINE, LOUISIANA  
SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

There were no prior year audit findings or questioned costs.